

COLLABORATION AGREEMENT BETWEEN MINERA PANAMÁ S. A.

AND

THE HOUSTON ZOO

Between the undersigned, to wit **Paul Crump**, male, (British), of legal age, with identity passport # 704815680 in his capacity as Amphibian Conservation Program Manager at The Houston Zoo, Science and Conservation Department and Legal Representative of the Houston Zoo Inc. duly registered at Microjacket S.C. 22196, document 805534 of the Microfilm Section (mercantile) of the Public Registry who hereinafter shall be called **HZI** on the one hand; and on the other **ERNEST MAST**, male, Canadian, of legal age with passport No. BA153338, who in his capacity as President and Legal Representative acts on behalf and in representation of **MINERA PANAMA, S.A.** a company duly incorporated under the laws of the Republic of Panama and registered under Microjacket Three Hundred Three Thousand Eight Hundred Sixty-nine (303869), Film Forty-Six Thousand Five Hundred Five (46505), Frame Zero Zero Ninety-Six (0096), of the Mercantile Section of the Public Registry, who hereinafter shall be called **MPSA**; both of whom expressed that they are duly empowered for this act;

WHEREAS

That through this collaboration agreement between **MPSA** and **HZI** it is expected that programs will be established to help the development and growth of the "El Valle Amphibian Conservation Center" and the socio-environmental goals of **MPSA's** projects.

That through this agreement **MPSA** expects to contribute with the Growth of the El Valle Amphibian Conservation Center Project (Centro de Conservación de Anfibios de EL Valle, hereinafter "**EVACC**"), which is located in El Valle de Antón (Coclé Province), within the "El Nispero" Zoo and that is managed by **HZI**, where conservation, education and scientific research programs are developed on amphibians of the West region of Panama.

AGREE:

To enter into this COLLABORATION AGREEMENT BETWEEN MINERA PANAMÁ S.A. AND THE HOUSTON ZOO (hereinafter "**THE AGREEMENT**") pursuant to the following clauses:

First: The general objective of **THE AGREEMENT** is to establish a close collaboration between **MPSA** and the **EVACC** Project to promote the conservation, reproduction in captivity (*ex situ* Management), environmental education and improve knowledge about the health of Amphibian populations present at the Cobre Panama Project Development Area., apart from monitoring the status of said populations in the wild.

Second: That **MPSA** shall finance, for a single initial amount of 40,000 United States Dollars, the construction of a new de 40 m² area (new building) with the capacity to maintain and reproduce in captivity over 200 individuals of up to 5 species of Amphibians that are endangered with extinction, threaten or critically endangered (Species of Interest of the Cobre Panamá Project) that are found in the Cobre Panamá Project Development Area (District of Donoso, Province of Colón). Likewise, **MPSA** agrees to finance the construction of an additional 56 m² area to lodge new contracted personnel that will be responsible for the operations of the new area to be built, as mentioned above (the cost of this construction is already included in the amount mentioned at the beginning of this clause).



Third: That **MPSA** shall finance, for a single initial amount of 36,000 United States Dollars, the complete equipping of this new EVACC area, which shall include 2 dully climate controlled and ventilated rooms (air conditioner, ultrasonic humidifiers and dehumidifiers) 3 types of lighting; Compact fluorescent lights for optimal plant growth , ultraviolet lights for the application of UVB type radiation for amphibians and light fixtures for the rooms, 120 glass aquariums in 4 different sizes, thermal and acoustic insulation , reconstituted Reverse Osmosis water filtration system, hoses, thermostat, automated irrigation system in each aquarium, adequate drainage system, timers, fans and ventilators.

Fourth: That **MPSA** shall finance the contracting of two persons (1 amphibian keeper for US\$ 5,620 annually; and a biologist, veterinarian or similar sciences for US\$10,820 annually), for a total amount of US\$ 16,440 annually, who will be in charge of the maintenance of the infrastructure, feeding, cleaning, medical-veterinarian treatments, reproduction and adaptation of the animals to optimal captivity conditions.

Fifth: That **MPSA** shall cover the maintenance costs (electricity, water, and general maintenance) for the sum until of US\$ 8,000 annually during the duration of the project.

Sixth: MPSA shall cover the fieldwork cost (personal, equipment, fuel, transportation) to collect all the individuals of each target species, in the project area, necessary to implement the MPSA amphibian reproduction project. The cost per approximately 10 field sessions of fieldwork is estimated in US\$ 12,000. The number of collecting trips will depend on the frequency and numbers of animals found.

Seventh: That **EVACC** commits to developing the amphibian species of interest reproduction and conservation in captivity program of the Cobre Panamá Project that need to be conserved and reproduced in captivity. MPSA will finance the preliminary fieldwork prior to the collecting trips. EVACC's will lead these expeditions which aim to verify:

- The status of the amphibian population within the Development Project Area.
- Collect skin samples from the target species to run PCR test to find out if the Chytrid fungus is present within the amphibian population.
- To monitor abundance of each Amphibians SoC target species necessary to implement the MPSA amphibian reproduction project.

The total cost of this preliminary fieldwork and amphibian monitoring process is estimated in US\$ 7.000.00 (salaries, fuel, field equipment and reagents for PCR test). A total of two field trips per month for three months will be performed by the EVACC staff during this preliminary monitoring process.

Eighth: EVACC and its personnel commit to presenting a biannual progress report and report on the management in captivity of the amphibians for MPSA to operate as a source of financing. Likewise, EVACC agrees to provide detailed reports of the costs and expenses incurred during the construction and maintenance of the new infrastructure, for which MPSA operates as the main and sole benefactor.

Ninth: Personnel contracted for this program shall be directly contracted by the HZI and shall have no direct contractual relation with MPSA.

Tenth: If required by MPSA, EVACC agrees to participate in press releases to the, spoken, written media television and Internet illustrating the participation of MPSA in the *ex situ* conservation and management efforts for amphibians of the West area impacted by the Cobre Panamá Project.

Eleventh: The amounts shall be disbursed as follows:

1. Construction Budged (US\$ 40, 000).

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10% at the signing of the agreement to finance the design of the building (blueprints).

40% when the contract is signed with the company or person in charge of the building construction.

30 % when achieving 50% progress in the works. An inspection of MPSA personal is necessary to approve this payment.

20 % when the works are finalized. An inspection of MPSA personal is necessary to approve this payment.

2. Purchase of equipment (US\$ 36, 000)

The amounts for the purchase of the necessary equipment for the facilities shall be delivered in full upon submittal of a detailed quotation for the necessary equipment.

3. Personnel salaries and area maintenance (US\$ 24, 440 per year)

They shall be divided into three annual payments for the amount of US\$ 8,000 during the months of January and May of every year and US\$ 8,440 during the month of December every year.

4. Field Camp Work to collect the frog and evaluate the amphibians populations in MPSA project area (US \$ 19,000)

That payment will be done for each field session. For those pays is necessary submittal a detailed quotation for the necessary equipment and personal cost.

Twelfth: MPSA shall provide EVACC with the funding mentioned in the point three (salary and maintenance) during the five years of duration of the herein agreement, starting from the moment this documents have being legally signed by both parties. At the end of the five years both parties agree to review the status of the project and if necessary, modify and extend the duration of this agreement.

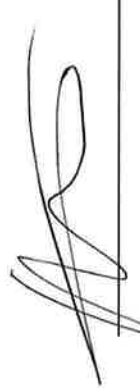
Thirteenth: EVACC hold harmless to MPSA for any job responsibilities to their employees, EVACC accept that responsibility is solely on them.

Fourteenth: This agreement may be terminated as of right by MPSA and without declaration of authority with the sole communication with 30 days notice and no right to claim damages and without liability to the parties.

Fifteenth: This agreement constitutes the only and complete agreement between the signing parties with relation to the objectives of this document and the same annuls any other agreements, contracts, commitments, proposals, statements, understandings and negotiations prior to this one that have been agreed verbally or in writing.

As approval and full understanding the undersigned sign this document in two (2) original copies of equal content and effect, in the City of Panama, on the ELEVENTH (8) days of the month of MARCH two thousand eleven (2011).

For Houston Zoo



Paul Crump
Houston Zoo Inc.

For MPSA



Ernest Mast
President and CEO